Business and Development Plan

for

Downtown Warrenton, N.C.

January 2012



Prepared For: Town of Warrenton

Prepared By: N.C. Main Street Program

Urban Development Division N.C. Department of Commerce

With Assistance of: Warrenton Small Town Main Street Committee

National Trust for Historic Preservation®, Main Street® and Four-Point Approach® are registered trademarks of the National Trust for Historic Preservation.

		Table of Contents	Page				
The S	Six Econ	omic Factors in Downtown Development	3				
1.	Market Conditions and Business Climate						
	1.1	Retail	4				
		1.1.1 Observations	4				
		Figure 1. Downtown Study Area	4				
		Figure 2. Warrenton Primary Trade Area	5				
		Table 1. Retail Analysis / Leakage / Downtown Potential	6				
		Table 2. Retail Leakage Graph	6				
		Table 3. Retail Survey Results	7				
		1.1.2 Recommendations	7				
	1.2	Residential	7				
		1.2.1 Observations	7				
		Figure 3. Residential Sales	8				
		1.2.2 Recommendations	8				
	1.3	Office / Other	9				
		1.3.1 Observations	9				
		1.3.2 Recommendations	9				
2.	Retail		9				
		2.1.1 Observations2.2.1 Recommendations	9				
		2.2.1 Recommendations	9				
3.	Real Estate Availability and Condition						
	2.1	Figure 4. Real Estate Conditions	11				
	3.1	Observations	11				
	3.2	Recommendations Table 4 Every la Tay Credit Project	12 12				
		Table 4. Example Tax Credit Project	12				
		Figure 5. Conceptual Façade Improvements	12				
4.	Physi	cal Environment and Amenities	12				
	4.1	Observations	12				
	4.2	Recommendations	13				
		Figure 6. Existing Pocket Park	14				
		Figure 7. Existing Streetscape	14				
5.	Availability of Capital/Financing						
	5.1	Observations	14				
	5.2	Recommendations	14				
6.		ness and Development Assistance	15				
	6.1	Observations	15				
	6.2	Recommendations	15				
Appe			16				
		mmary of Recommendations	17				
		sment Form	18				
COHS	umer Su	rvey	19				

The Six Economic Factors in Downtown Development

The Definition of Economic Development/Restructuring

The most basic definition of the word "economic" is "profitable". Although all "four points" of the Main Street approach are necessary in a successful downtown revitalization program, very little will be accomplished unless economic (profitable) activity occurs; for the ultimate goal of revitalization is the creation of economic value (profit) for the downtown and its investors; public and private.

And even though "profit" can come from improvements to the physical environment and quality of life, economic development is essentially "adding value", (creating profit) in the form of jobs, sales, taxes, and property value.

Economic restructuring is simply adapting economic activity to the current realities of the market place.

The Six Economic Factors

There are six basic factors that should be considered when undertaking economic activities. Without an understanding of these factors, it will be impossible to determine the direction that economic activity must take in order to bring about a successful effort. These factors are as follows:

Factor 1. Market Conditions and Business Climate

Assessing this factor helps determine the status of the retail, residential and office markets and their potential in your downtown. Information gathered related to retail sales, occupancies and rents is used to develop recruitment materials for attracting new businesses to downtown.

Factor 2. Retail Mix

A market assessment and merchants' survey can provide information related to the number and types of businesses currently in the downtown area. From this information, the potential for success of additional or different retail businesses can be determined. Additionally, a personal observation should be made to determine the physical location of retail businesses by type, in order to determine the best locations to site additional businesses.

Factor 3. Real Estate Availability and Condition

This factor addresses the ability to recruit development and business. If there are no available buildings or if they are overpriced or in poor condition, then it will be difficult to carry out the revitalization effort.

Factor 4. Physical Environment and Amenities

The physical environment in which a business must function is critical to it's' success. Even the best businesses will not be successful if the surrounding environment is run down, has few amenities and is difficult to access.

Factor 5. Availability of Capital / Financing

It is critical that adequate investment capital and attractive financing be available for downtown projects. In addition to public financing tools, local financial institutions must be actively involved and supportive of development and business downtown.

Factor 6. Business and Development Assistance

Business and investment decisions must be made based on complete and factual information. One of the most important services that can be offered to potential investors is the provision of professional business and development assistance, along with a coordinated promotional effort.

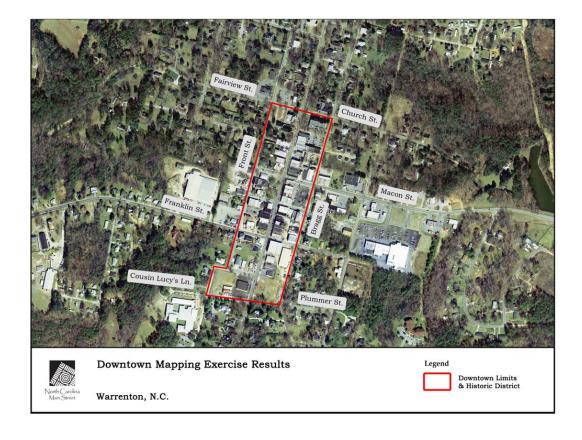


Figure 1. Downtown Study Area

1. Market Conditions and Business Climate

1.1 Retail

1.1.1 Observations

Warrenton, NC is an incorporated town located in Warren County, North Carolina, with a 2010 estimated population of 864. Warrenton's population increased by 6% between 2000 and 2010. The town is situated on Highway 401 approximately 55 miles north of Raleigh, NC, 30 miles west of Roanoke Rapids and Interstate 95 and 20 miles northeast of Henderson. The population within a ten mile radius of downtown Warrenton is estimated at 16,540 and per capita income is approximately \$16,112 annually. There is a small strip shopping center adjacent to the downtown business district, a shopping center north of downtown and a few free-standing retail establishments within a five-mile radius of the downtown core. The town of Warrenton captures about \$15 million of the estimated \$104 million in retail sales within a ten mile radius and experiences retail "leakage" (lost sales) in most retail categories.

Downtown Warrenton competes with the strip shopping centers and free-standing stores within a ten-mile radius and with other nearby communities, particularly with Henderson, Roanoke Rapids and Raleigh. Our assessment of the market conditions in Warrenton based on available information from several sources, indicates that the downtown commercial district provides goods and services to a <u>primary</u> trade area of approximately ten miles.

Merchant and consumer surveys indicate that the downtown primarily serves a local market with most

shopping occurring outside the downtown area and/or in surrounding towns. (see attached survey results) The downtown business district loses a substantial amount of retail trade to other communities including Henderson, Roanoke Rapids and Raleigh which are larger metropolitan areas with more shopping choices.

A downtown business district typically functions much like a Community Shopping Center, providing general and specialty merchandise and services to the local market. Downtown Warrenton has too few retail stores to provide enough shopping diversity for local residents or to draw a substantial number of outside shoppers to the community.

Although downtown businesses capture very little in the way of basic retail sales, greater Warrenton businesses currently capture about \$28 million or 32% of the \$86 million in non-automobile retail sales within a ten-mile radius of the downtown area. Sales are concentrated in Food and Beverage (groceries), Food Service (restaurants), General Merchandise and Gasoline categories, with some of these businesses located at the edge of the core business district. After adjusting for local competition there is a remaining \$34.9 million in potential non-automobile retail sales within ten miles to be captured in several categories, notably in the categories of Food Service (restaurants) \$9.3 million, General Merchandise (Department and Variety Stores) \$2.9 million, Furniture/Home Furnishings/Electronics and Appliances \$4.8 million, Clothing and Accessories \$3 million, Food and Beverage \$6.8 million, Health and Personal Care \$3.3 million and Building Materials, Lawn and Garden \$3 million. Assuming the ability to capture 15% of these potential sales or \$5.2 million, the downtown area could possibly support an additional 33,000 square feet of retail space. (see Table 1 on page 6)

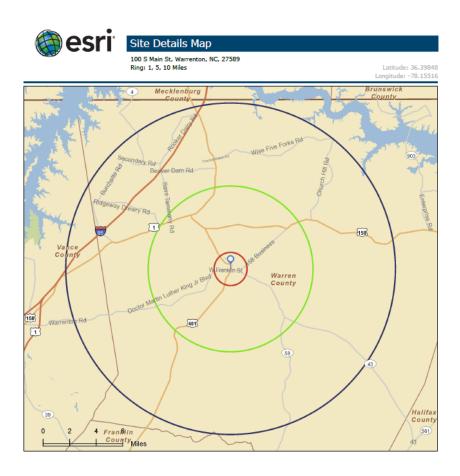
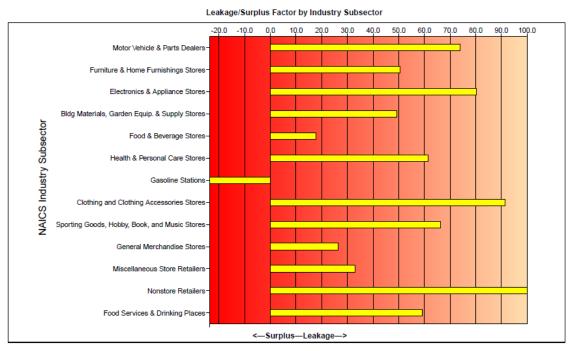


Figure 2. Warrenton Primary Trade Area

	RETAIL LEAKAGE ANALYSIS	WARRENTON	Nov-11			
	AREA/MILES/RADIUS	10.00				
					NN POTENT	IAL
NAICS	BUSINESS TYPE		LEAKAGE/LOST BUSINESS	Est. Capture	Est.	Supportable
				15%	Sales/SF	SF
4413	Auto Parts/Accessories/Tires		\$717,521	\$107,628	\$125	861
4421	Furniture		\$2,303,529	\$345,529	\$125	2,764
443/4431	Electronics/Appliance		\$2,500,174	\$375,026	\$125	3,000
4442	Building Materials/Lawn and Garden		\$3,067,581	\$460,137	\$125	3,68
445	Food and Beverages		\$6,810,324	\$1,021,549	\$250	4,086
446	Health and Personal Care		\$3,277,245	\$491,587	\$150	3,277
448	Clothing and Accessories		\$3,018,068	\$452,710	\$125	3,622
4511	Sporting Goods/Hobby/Music		\$334,921	\$50,238	\$125	402
452	General/Department Store Merchand	ise	\$2,936,828	\$440,524	\$125	3,524
4532	Office Supply/Stationery/Used/Gifts/F	Florists	\$641,607	\$96,241	\$125	770
722	Food Services and Drinking Places		\$9,335,652	\$1,400,348	\$200	7,002
	TOTAL		\$34,943,450	\$5,241,518		32,989
			, , , ,	, . , ,		,
	SOURCES:	ESRIBIS ©		(Adjusted)	NC Main Str	<u>l</u> eet

Table 1. Retail Analysis / Leakage / Downtown Potential (-\$ = Lost Business/Leakage)

Column at far right indicates potential for new retail space in square feet for each type of business.



Sources: Esri and Infogroup

Table 2. Retail Leakage Graph (source: ESRI and Infogroup)

201	1 Downtov	vn F	Retail Survey Results	
		F	Rent Location	70%
Average Size (sq. ft.)	3500	Ī	Own Location	30%
Average Sales / Sq. Ft.	\$104.90	/	Average Rent Per Month	\$500
Increase in Sales During 2010	75%	1	Average Rent Per Sq. Ft.	\$2.80
Decrease in Sales During 2010	25%	F	Plan to Remain Open in Following Year	100%
Average Number of Employees	3.75	F	Plan to Relocate or Close in Following Year	0%
Average Number of Years Open	4+	E	Best Months for Sales	12,2,7
Primary Customers: 1.Residents	2 Employee	s 3.	. Tourists 4. others	

Table 3. Retail Survey Results

1.1.2 Recommendations

The downtown business district should attempt to capture a portion of the \$34.9 million in potential sales within the ten mile radius of downtown with a goal of increasing annual downtown sales by \$1 million to \$2 million annually over the next 3-5 years. This can best be accomplished by increasing the availability and/or marketing of the identified retail opportunities including Food Service (restaurants), General Merchandise (Department/Variety Stores), Furniture/Home Furnishings/Electronics and Appliances, Clothing and Accessories, Food and Beverages, Health and Personal Care (Drug Store Merchandise) and Building Materials/Lawn and Garden; by adding stores offering these products, and/or expanding the offerings of existing businesses downtown.

Downtown businesses should understand their markets and focus their promotional efforts on the markets they are most likely to attract. Most downtown retail areas function in an "inside-out" manner, with much of the retail trade being available from nearby neighborhoods and employees. The identified markets in Warrenton in order of importance are:

- 1) 1,500+- Downtown area employees
- 2) 1.100+- nearby residents within 1-mile
- 3) Visitors to other downtown businesses and downtown's "magnets" (Town Hall, Financial Institutions, Library, etc.) and county facilities.
- 4) 2,600 Employees of local businesses and industries within 5 miles of downtown
- 5) 6,900 residents within five miles of the business district
- 6) 16,500 residents within ten miles of the business district
- 7) Residents and visitors to the Lake Gaston and Kerr Lake areas
- 8) other/outside/tourists and visitors on Highway 401, 43 and 158.

Niche Markets / Additional Potential

Tourism / other

Additional "niche" markets could develop around the through-traffic on Highways 401 and 158. Approximately 6,400 vehicles a day travel through Warrenton on Highway 401 and 7,800 on 158. Efforts to inform these potential visitors about downtown attractions, goods and services should be expanded.

1.2 Residential

1.2.1 Observations

There was an increase of 127 (17%) in the population within the town limits of Warrenton between 2008 and 2010. Mean home prices in 2009 in the general area are in the range of \$146,977. The first half of 2011 saw housing sales and values increase. There is some data to support growth in the residential rental market in the general Warrenton area with rentals consuming approximately 43% of the total housing stock. Overall residential vacancy is at around 14%. Rentals that are available show an adjusted median rent of \$486 per month.

There are two residents living "above the store" in the business district and there are two residential rentals in the downtown business district with two efficiency apartments under construction. The potential support for residential development "above the store" is unclear, but with a 14% overall residential vacancy rate in the area there appears to be some potential for downtown apartment rentals as well as for permanent

residents. There are a few vacant upper floor development opportunities for existing buildings and there are two efficiency apartments under construction in downtown.

Warrenton permits development of downtown housing in commercial buildings.



Figure 3. Residential Sales

(source: www.city-data.com)

Mixed-use (commercial-residential) development with street levels reserved for commercial uses is a key to a successful downtown. Mixed-use development offers the potential for "full-building" renovation, since finding uses for upper floors in multi-story buildings is often difficult. Downtown "loft" style apartments typically demand higher rents within the market.

Experience of other small to mid-size cities with successful residential development downtown, indicates that there is an increased chance of success for residential development in a commercial area if there is a an established "real" residential neighborhood nearby, which is the case in Warrenton. The downtown business district in Warrenton needs the additional residents that these neighborhoods provide in order to support the downtown businesses as well as create this sense of neighborhood that is so important to upper floor housing downtown.

1.2.2 Recommendations

The residential areas adjacent to downtown are in good condition and should remain as primarily single-family residential zones. Efforts should be made to encourage the maintenance and/or renovation of these homes for residential use. Warrenton has an established National Register commercial historic district and a number of eligible residential historic properties, but does not have an established residential historic district. Although not currently in a National Register Historic District, individual homes that qualify as historic should be supported with the 30% North Carolina Housing Historic Tax Credit and commercial buildings in the business district that can be certified as contributing historic properties should be encouraged to utilize the State and Federal 20% (total 40%) historic tax credits where possible. Those property owners with vacant upper floor space should be identified and encouraged to develop upper floor housing. Developing and maintaining the quality of the residential projects can more likely attract a quality tenant target market and above market rents. Quality construction and quality management of residential projects are key ingredients.

1.3 Office / Other

1.3.1 Observations

Office

There is some office occupancy in the downtown district and nearly all of it occurs at street level. Much of this space is associated with the Town being the government seat of Warren County. We were not able to identify the depth of the office market in the Warrenton area; however, there should be an adequate market for professional offices and services that can be attracted to downtown if adequate support services (parking, eating places, etc.) are available.

Service

There are a number of service businesses in downtown. The service sector, which includes barber and beauty shops and other personal services, is an important component in every small downtown. These customer-oriented businesses provide employment for locals with special skills and offer a variety of necessary services for local citizens. They also produce traffic for retail businesses in downtown.

1.3.2 Recommendations

Office

New office tenants that can benefit from a downtown location and provide needed professional services to local citizens should be recruited. As additional retail tenants are identified and the retail market improves, offices now located at street level should be encouraged (and assisted as necessary) to move to upper floors and side streets, in order to free up this valuable retail space for its appropriate use. This should in no way be interpreted to mean that offices are not important to downtown...THEY ARE! Remember...office employees are retail customers!

Service

Smaller commercial spaces are often well-suited for service businesses. It will be important to identify available spaces suitable for small service businesses that are also located where they can provide the opportunity for cross shopping with retailers.

2. Retail Mix

2.1 Observations

The downtown business district contains approximately eleven retail businesses and there are a total of thirty-six within one mile of downtown. As with many small towns, the relatively small total number of retail businesses impacts the ability to draw a sizable number of customers to downtown for shopping.

2.2 Recommendations

New businesses and products of the types identified in this report should be added to the supply. There is room for some additional businesses of the same type, as well as those that carry complementary merchandise and different merchandise. "Cross-shopping" between stores should be encouraged by businesses simply REFERRING customers to other downtown businesses, whether a competitor or not. A downtown sale, even to your competitor, is better than a sale lost to another shopping area.

A successful business mix will contain businesses that are:

Market driven

Provide products and services that meet local needs
 Financially feasible

- Have sufficient investment and financing
- Business plan based on local market data

Located appropriately

- In or near a "comparable cluster" of businesses
 - Same customer base-different products Example: High income; low income; retirees
- In or near a "complementary cluster" of businesses
 - Goods and services used in conjunction with each other Example: Women's clothing/accessories; Convenience Itemsgroceries/drugs; Furniture/appliances
- In or near a "comparative cluster" of businesses
 - Same or similar products

Example: furniture stores; jewelry stores; antique stores

- Part of a "critical mass" of businesses
 - Sufficient number of businesses and business types to provide a destination for shopping

Successful business recruitment, retention and expansion:

Retention/expansion

- A successful plan keeps the existing quality businesses in the community.
 - Success of existing businesses helps in recruiting new businesses.
 - Visits with owners of existing businesses may identify problems, weaknesses that may need to be addressed by the recruitment committee.
 - Identify business opportunities that can be met by existing business expansions.
 - Identify new businesses that are complementary and will attract customers for existing businesses as well.

Recruitment

- Identify and solicit new business "suspects" that are likely to succeed in your community.
- Conduct a community assessment.
 - Survey local citizens about what products or services they must go outside the downtown or community to purchase.
 - Ask why they may prefer going outside the community, even if those goods and services are available.
- Identify market potential for goods and services in order to add or expand the availability.
- Determine business feasibility for businesses identified.
 - Prepare business plans for each business type.
 Review with local bankers and business development professionals.
- Prepare a list of similar businesses located in the suburbs, in nearby communities.
- Develop a recruitment package including the information gathered from the community assessment, market data, and business plans.
- Conduct recruitment effort:
 - Letters with market information on
 - available buildings
 - o sources of assistance
 - financing options
 - Market Information

- Follow-up phone calls
- Personal visits to the prospect by committee
- Invitations for prospects to visit the community
- Maintain contact until decision made
- Assist in establishing the business until open
- Regular contact to retain

3. Real Estate Availability and Condition



Figure 4. Real Estate Conditions

3.1 Observations

The Main Street area contains a number of businesses in the downtown area, but there are several vacant, un-renovated or inappropriately renovated buildings. Some of the "occupied" space is underutilized and/or used for storage, or non-retail uses. There is a mix of occupancies with retail, service and public related businesses or firms.

Buildings in the downtown are in generally good condition, some have vacant upper floors in poor to fair condition, and have reported average market values of around \$20 to \$25 per square foot, depending on condition. Commercial rents average around \$3 to \$4.00 per square foot. Reported contractor renovation costs of \$90 to \$100 per square foot seem appropriate for the market, while owner renovated buildings have been completed for less.

Development projects based on the above building and renovation costs, market rents and other known local conditions indicate limited but reasonable feasibility, particularly if utilizing historic tax credits. (see Table 4 on page 12)

With existing vacancy there is potential for growth in the business district, both ground floor and upper floor development. Vacant buildings should be developed /redeveloped first and new infill construction on vacant parcels to follow. Redevelopment and new construction opportunities exist in the downtown area. Commercial encroachment on the nearby residential neighborhoods should be avoided.

3.2 Recommendations

The downtown committee should actively work to identify qualified potential tenants and /or buyers and match them with suitable available properties. A complete listing of currently available properties should be prepared and updated frequently. The available property list should be made available at Town Hall, Chamber of Commerce and local and regional economic development organizations. It will be important to work with property owners and non-retail users to educate property owners and businesses regarding the relationship between the appropriate mix of uses, renovation and development costs and retail sales and rent. If non-retail uses become dominant or development costs are too high and rents become too high in relation to retail sales, businesses will struggle to remain viable and property vacancy will rise. Zoning options may be explored to control and manage the desired mix of uses in downtown. The NC Rehab Code should be utilized to assist with renovation of properties wherever appropriate.

As retail occupancy grows and existing buildings are renovated, property values will increase and buildings will become more valuable as retail spaces. As vacancies are reduced, infill development on vacant parcels should be considered. Any new commercial development, particularly in the outlying suburban areas, should be assessed in relation to its economic impact on the core business district, and any new construction in downtown should be carefully designed for compatibility with the character of the downtown community.

_	Acquisition	\$ 25.00 / sf
_	Renovation	\$ 90.00 / sf
_	Investment	\$ 115.00 / sf
_	Gross Income (rent)	\$ 5.00 / sf
_	Less Operating Expenses	\$ 1.50 / sf
_	Net Income	\$ 3.50 / sf
_	Return on Investment	3 % / yr
_	Historic Tax Credits	\$ 3.60 / sf / 10 yrs
_	Return on Investment	6% / yr / 10 yrs
		(Assumes full occupancy / no debt)

Table 4. Example Tax Credit Project

4. Physical Environment and Amenities

4.1 Observations

The physical environment in which a business must function is critical to its success.





Figure 5. Conceptual Façade Improvements

^{*} Not intended as a detailed financial analysis.

Buildings

As stated in the section on real estate availability and condition above, the appearance and condition of buildings is a critical factor in downtown revitalization. Building facades can be a deterrent to additional development if not maintained appropriately. There are several buildings in downtown Warrenton that need façade improvements.

Streetscapes and Public Spaces

Streetscape and public space improvements, including brick sidewalks and plantings have been made in the downtown area over the past several years, and design issues relating to other needed improvements will be addressed separately. Additional streetscape improvements will need to be made if downtown Warrenton is to offer an attractive business environment with adequate support facilities. Unsightly street light poles and overhead wiring exist on Main Street, which is the main thoroughfare through downtown. There are opportunities for improvements to several open spaces. Additional directional signage is needed.

Parking

Our assessment is that parking appears to be sufficient for the current level of activity.

Traffic and Circulation

Traffic and circulation appear to be adequate. Average Daily Traffic Counts through downtown on Highway 401 in 2009 as provided by NCDOT are approximately 6,400 vehicles per day. An additional 7,800vehicles travel through along Highway 158. (see below)

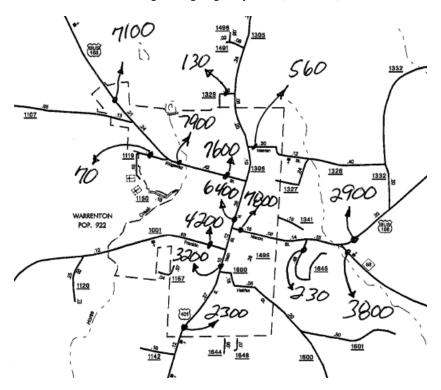


Figure 6. NC DOT Traffic Counts

4.2 Recommendations

Buildings

Building Facades should be improved utilizing appropriate design standards. A façade improvement grant program should be implemented to support the private sector improvements.

Streetscapes

Improvements to streetscapes, signage and buildings should be used to create a more attractive environment in order to improve business and development potential. Relocation of utility poles and overhead wiring should be explored.





Figure 6. Existing Pocket Park

Figure 7. Existing Streetscape

Parking

As in any downtown, it is critical that employees of downtown businesses park in off-street locations, freeing up valuable on-street spaces for customers and visitors to downtown. Information related to off-street parking availability for downtown employees should be made available to each downtown employer, and each employer should see that he and his employees are aware of this availability and that employees do not park in on-street spaces which are critical to the success of downtown businesses. Time limits and enforcement should be considered for the future.

Traffic and Circulation

Additional commercial rezoning along the Highway 401 and 158 corridors should be discouraged.

5. Availability of Capital / Financing

5.1 Observations

Warrenton has recently established a downtown development loan pool and some local financial institutions have demonstrated a commitment to assisting downtown projects.

The town has recently implemented a loan and facade grant program available directly to property owners wishing to improve the exterior of their property. There are no other economic development incentives currently available to assist with downtown improvements.

The downtown business district is designated as a National Register Historic District which would enable property owners of contributing properties who carry out renovation projects certified by the National Park Service to be eligible for a 20% federal tax credit and a 20% state tax credit.

Some owners may have little or no existing debt on their properties, and can realize a benefit from providing owner financing to buyers over a term of years, possibly deferring some capital gains taxes. This is an excellent benefit for both buyers and sellers, and should be aggressively pursued as an option.

5.2 Recommendations

A loan program supported by local banks should be considered. The program does not need to be

significantly different from those currently being offered to the entire community, but applicants for downtown projects should receive special consideration by lending officers, a longer amortization term should be offered and the program should be actively promoted as a downtown loan program.

The town should continue the loan and façade grant program in order to assist with exterior improvements, particularly where they might provide an incentive to carry out a more extensive renovation than might otherwise be planned. Guidelines should be enforced for the appropriate design of these improvements, following local design guidelines and the Secretary of Interior's Standards where appropriate.

Other incentives, including commercial building rental assistance, special downtown upper floor housing incentive loans and full building renovation incentive loans should be considered. Funding could come the local government budget, private fundraising efforts or a combination of sources.

6. Business and Development Assistance

6.1 Observations

Business decisions must be based on complete and factual information. There is no one specifically charged with downtown revitalization. There is incomplete information on the downtown market available and no one source offers a "one-stop" approach to the needs of either the business or development sector.

Marketing advice and assistance is another critical need in small downtowns. Few small businesses have a large enough advertising or promotion budget to create an impact in the marketplace.

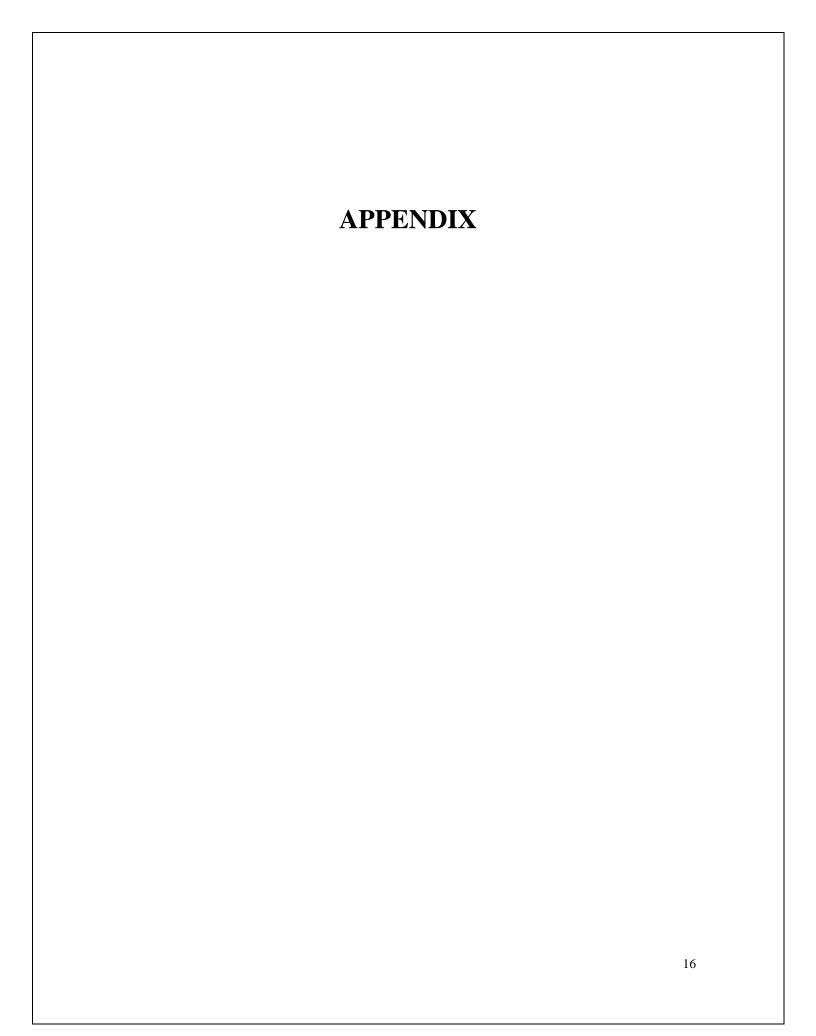
6.2 Recommendations

Downtown organizations are formed for the specific purpose of providing for the needs of the downtown area in their communities. Although they must thoroughly understand and appreciate the economic conditions of the area at large, by the narrowness of their purpose they are not distracted by the need to provide economic development activities and other services to those areas. The coordinator of the Small Town Main Street effort and the Town Administrator, along with the Chamber Director should help provide the information and serve as the source for assistance.

In the long run, it will be important to maintain the downtown committee as a cost-effective community-based organizational structure that addresses the needs of downtown constituents by filling the void between services offered by other agencies and those that need to be targeted specifically to downtown. The information contained in this report should be provided to current and prospective business and development prospects in order to assist them with decision-making.

In addition, a unified joint marketing effort that pools the resources of many businesses will be necessary in order to create the desired impact and bring new customers to downtown. The Small Town Main Street Promotions Subcommittee is developing a long term work plan including the following:

Shop Local Campaign/marketing to locals
Promote downtown as a "destination"/History, etc.
More Community Activities/Arts, entertainment/events/festivals/movies
Promote the historic small town appeal
Create a Merchants Association/coop marketing/shared costs
Calendar of events/kiosks/media
Build community enthusiasm/participation in activities, events, etc.



Executive Summary of Recommendations

Recommendations:

1. Market Conditions and Business Climate-Retail

- a. Capture portion of identified potential retail sales by:
 - i. Increasing availability of identified retail products.
 - ii. Increasing marketing of identified retail products.
 - iii. Expanding existing stores offering these products.
 - iv. Adding new stores offering these products.
- b. Develop an "inside-out" marketing strategy focusing first on downtown and nearby employees and nearby residential neighborhoods.
- c. Identify "niches" within "overage" merchandise categories.

2. Market Conditions and Business Climate-Residential

- a. Protect and maintain existing residential areas adjacent to downtown.
- b. Work with local property owners to develop quality upper-floor housing project.

3. Market Conditions and Business Climate-Office

- a. Conduct office market survey. Recruit new office tenants as identified.
- b. Gradually relocate offices from ground floors on to side streets and upper floors.
- c. Consider office employees as primary retail customers.

4. Retail Mix

- a. Build "critical mass" by identifying and recruiting businesses that are "market driven", financially feasible and that provide products and services not well represented in the downtown area.
- b. Improve "linkage" between stores by filling in the gaps in the street front with retail.
- c. Locate and "cluster" stores with complementary products to stimulate cross shopping. Begin by referrals.

5. Real Estate Availability and Condition

- a. Maintain a listing of available properties, property owners, prices and condition.
- b. Match qualified tenants with suitable properties/property owners.
- c. Demonstrate financial benefit of renovations for tenant and property owner.

6. Physical Environment and Conditions

- a. Work with local government and property owners to encourage a high level of maintenance of public and private property in the downtown area.
- b. Establish Design Plan and Standards for downtown

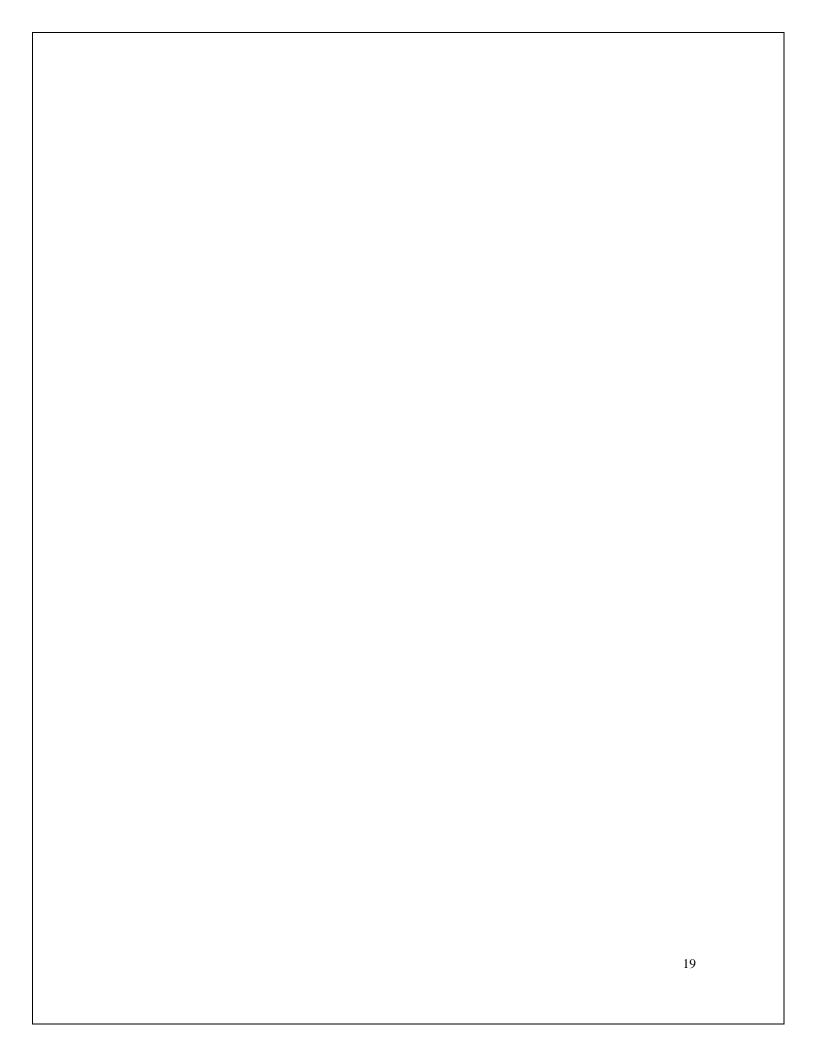
7. Availability of Capital and Financing

- a. Work with local financial institutions to develop a downtown loan program.
- b. Continue the façade improvement grant and loan program to assist property owners and businesses in improving the downtown buildings.
- c. Explore additional incentive programs.
- d. Provide information and assistance in preparing historic tax credit applications for building renovations where applicable.

8. Business and Development Assistance

- a. Identify/Establish an organizational entity responsible for providing complete and factual information on the downtown market and its potential.
- b. Provide a range of services including business and real estate development information, business plans and financial packaging.
- Establish a business recruitment committee that actively solicits new business and development downtown.

	ORS OF ECONOMIC RESTRUCTUR		DOWNTOWN		SSESSMENT	(SEE INSTRU	JCTIONS)		
CITY	Warrenton	STATE	NC	ZIP CODE		BY:	STMS		
© 2009	Used Only By Permission	DATE:		RADIUS	1.5.10	SOURCES	ESRI/STMS/E		
(1) Availab	ole Downtown Property Inventory		(Use separate	form for eac	h available property)		Totals	
а	Address			Owner		Listed By		Vac. Bldgs	
b	No. Floors					Phone		Vac. SF	
С	Size/SF	1st Floor		2nd Floor		3rd Floor +		Vac. %	
d	Occupied SF	1st Floor		2nd Floor		3rd Floor +		Ī	
е	Use (Ret,Off,Res,M)	1st Floor		2nd Floor		3rd Floor +		TOTAL SF	285,000
f	Tax Parcel Number		Tax Value		Tax Rate	City	County		
g	Availability (circle)	Sale	Lease	Unk		-			
h	Sale Price								
I	Lease Price/SF	1st Floor		2nd Floor		3rd Floor +			
j	Condition (E,G,F,P)	1st Floor		2nd Floor		3rd Floor +			
(2) Averag	je Sale Price per SF (from local realto	or, etc.)	Downtown	Suburban					
k	Building and Land		\$15-25						
I	Land Only								
(3) Average	ge Rent per SF(from local realtor,own	er)	Downtown	Suburban					
m	Retail	,	\$3-4						
n	Office		- 40 .						
0	Residential		\$450/mo						
D	Other		ψ.50/110						
	ation Cost per SF (from local contract	or)	Downtown	Suburban					
q	Retail		\$90-100						
r	Office		400 100						
· c	Residential		 						
(5) New Co	onstruction Cost per SF (from local c	ontractor)	Downtown	Suburban	l .				
t	Retail	ontractory	\$148	\$148					
u	Office		φ140	φ140					
u	Residential								
(C) Mandant		Monahan	Total CE	Calas/CF		4-			
(6) Market	, , ,	Number	Total SF	Sales/SF	Employees/residen				
W	Retail*	11	X	\$80-100	X	*total from se	ction 7 below		
Х	Office (pvt)		X	X	X				
у	Gov't/Institutional		X	X	X				
Z	Residential		X	X	X				
aa	Service		Х	Х	X				
bb	Other		Х	Х	Х				
CC	Vacant		Х	X	X				
dd	TOTAL		X	Х	X				
	by Retail NAICS (Downtown only)	Number	Total SF	Sales/SF	Employees/residen	ts			
ee	441 Motor Vehicle and Parts Dealers		Х	X	X				
ff	442 Furniture and Home Furnishings		X	X	X				
gg	443 Electronics and Appliances		X	X	X				
hh	444 Bldg Materials, Garden Equip		X	X	X				
ii	445 Food and Beverage/Groceries		Х	X	Х				
jj	446 Health, Drug and Personal Care		Х	X	X				
kk	447 Gasoline Stations/Conv. Stores		X	X	X				
II	448 Clothing and Accessories		Х	X	Х				
mm	451 Sporting Goods, Books, Music		X	X	Х				
nn	452 Gen. Merchandise/Dept. Stores		Х	Х	X				
00	453 Florists/Off.Supply/Gifts/Used/Mise		Х	Х	X				
pp	454 Non-Store Retailers		Х	Х	Х				
qq	722 Food Services/Drinking Places	İ	X	X	X				
	Demographics (By Main Street)	CBD	1 Mile	5 Miles	10 Miles	Zip Code	County		
rr	Retail Sales	\$3,000,000	\$15,100,000	\$29,300,000	\$62,800,000		\$52,600,000	***	
SS	Retail Potential	+=,=50,000	\$8,800,000	\$44,700,000	\$104,800,000		\$140,800,000		
tt	Population		1,129	6,948	16,540		19,543		
uu	Per Capita Income	 	\$15.730	\$15.763	\$16,112		\$17,794		
	al Environment (Downtown Only)	Number/tures	(Describe in sp				ψ17,73-4		
W	Parking/on-street (No. Spaces)	111	Public	ace beside i	Jain)				
	Parking/off-street (No. Spaces)	176	Public and Privat	Δ					
ww		1/6							
XX	Public Space/parks (No.)		Describe	Daial O' I					
уу	Pub/Street/SW Improvements (No.)	1	Describe	Brick Sidew	qiks				
ZZ	1-way Streets	<u> </u>	No						
aaa	Downtown (Business) Historic District	Yes		L.,					
• •	able Financing	Туре	Source	Interest	Amortization/term	Other	LTV		
bbb	Conventional/Banks,etc.	Com	Bank	P+	15/5		80%		
CCC	Special	RLF	Town						
	ess Assistance	Yes		Type	BP/RE/Design	Provided By:			



	SINESS DISTRICT	TOTAL RESPONSES	No.	54	1/-	No.	%	No.	0/
How often do you	shop in the downtown	n hueingee dietrict?	No.	9	%	NO.	%	No.	%
now often do you	Daily	ii business district:		2 '	10%				
	At least weekly			10 5					
	At least monthly				20%				
What is the Main	Sometimes	owntown business distr	riot2	4 2	20%				
Wilders the Main	Shopping	owntown business disu	ictr	6 3	30%				
	Banking				10%				
	Working				40%				
	Eating			4 2	20%				
	Personal Business Other			1	0% 5%				
What Other things	s do you do downtown	1?			370				
Time out of timing	Shopping			8 4	40%				
	Banking			15					
	Eating			14					
	Personal Business Other			10 5	0%				
Where do you do	most of your shopping	n?			U70				
	Downtown	9.		2 '	10%				
	Local Shopping Cen	ter		10 5	50%				
	Nearby Town				30%	Hendersor	South		_
How would you ra	ate the following about	t downtown?	GOOD		30%	FAIR	40%	POO	
	Parking Friendliness of sales	neonle		16 8		8	15%		5 259 09
	Price of merchandise				40%	9			1 59
	Variety of goods				10%		40%		9 459
	Quality of goods			12 (30%		1 59
	Attractiveness of are				30%		60%		09
	Attractiveness of bui Business hours	idings			25% 40%	8	40% 40%		5 259 3 159
	Safety				45%		50%		09
	,								
How important are		roving the downtown ar				SOMEWH		NO	
	Historic Character	ntononoo		11 5 17 8		7			2 109
	Cleanliness and mail Focus on local custo			16 8		2			1 59
	Patronize local busin			18 9		2			09
	Improve tourism			17 8		1			1 59
	More special events	/festivals			35%		45%		1 59
	More jobs for locals			14 7			15%		0%
	Customer service Public improvements	s,streets, sidewalks, etc.		12 (5 7			09 09
	More advertising	o,otrocto, otdowalko, etc.		10 5		7			09
	Regular, convenient	business hours		12 (60%	5	25%		09
	Safety			12 (60%	4	20%		1 59
What types of sto		you personally use dov							
What types of stor		you personally use dov Crafts 1							
	res or services would								
Restauran 3 Clothing 13 movies 1	Produce 1 Gifts/Jewery Hardware 1	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery	wntown?						
Restauran 3 Clothing 13 movies 1 Sporting goods	Produce 1 Gifts/Jewery Hardware 1 Arts	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown?						
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1	Produce 1 Gifts/Jewery Hardware 1 Arts specialty	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery	vntown?						
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1	Produce 1 Gifts/Jewery Hardware 1 Arts specialty	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown?	9 4	45%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1	Produce 1 Gifts/Jewery Hardware 1 Arts specialty	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown?	-	45% 5%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown?	1	5% 15%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown?	1 3 1 4 2	5% 15% 20%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown?	1 3 1 4 2	5% 15%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code?	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown? 2 1	1 3 4 2	5% 15% 20% 10%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown? 2 1	1 3 1 4 2 1 1 1 1 1 1 1 1	5% 15% 20% 10%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code? 27589	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown? 2 1	1 3 4 2 2 1 10 5 3	5% 15% 20% 10%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27880 27570	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown? 2 1	1 3 1 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	res or services would Produce 1 Gifts/Jewery Hardware 1 Arts specialty Produce 2 Arts Arts Arts Arts Arts Arts Arts Arts	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1	vntown? 2 1	1 3 1 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5% 10%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	res or services would Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 1 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27880 27570	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 1 4 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5% 10%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code? 27589 27551 27880 27550 27570 27563 Dut about local busine: Local Newspaper Other newspaper	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	10 5 3 1 2 1 2 1	5% 15% 20% 10% 50% 15% 10% 5% 0% 80%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busine: Local Newspaper Other newspaper TV	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 4 10 5 3 1 10 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5% 0% 0%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busine: Local Newspaper Other newspaper TV Radio	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 4 1 10 8 3 1 1 2 1 1 1 6 8 2 1	5% 15% 20% 10% 50% 15% 10% 50% 00% 00%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busines Local Newspaper Other newspaper TV Radio Direct Mail	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 2 10 3 3 1 2 1 1 2 1 6 1 6 1 6 1 6 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5% 0% 0% 0% 10%				
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code? 27589 27551 27850 27550 27563 Out about local busine: Local Newspaper TV Radio Direct Mail Word of mouth	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 2 1 10 5 3 1 1 2 1 1 6 8 2 1 1 1 5 1 1 1 5 1 1 1 5 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 110% 50% 10% 0% 0% 0% 10% 10% 15% 55%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busines Local Newspaper Other newspaper TV Radio Direct Mail	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 2 1 10 5 3 1 1 2 1 1 6 8 2 1 1 1 5 1 1 1 5 1 1 1 5 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 110% 50% 10% 0% 0% 0% 10% 10% 15% 55%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Dut about local busine Local Newspaper Other newspaper TV Radio Direct Mail Word of mouth Other Male	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 2 1 10 5 3 1 1 1 5 2 1 1 1 5 2 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 115% 50% 10% 0% 0% 0% 15% 55% 55% 55%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live What is your Zip (Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code? 27589 27551 27850 27550 27563 Out about local busine: Local Newspaper Other newspaper TV Radio Direct Mail Word of mouth Other Male Female	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 1 10 5 3 6 1 1 1 5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 115% 50% 10% 0% 0% 0% 15% 55% 55% 55%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live	res or services would Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busine: Local Newspaper Other newspaper TV Radio Direct Mail Word of mouth Other Male Female	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 2 1 10 5 3 1 1 1 5 2 1 1 1 5 2 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 110% 50% 10% 50% 00% 00% 15% 55% 55% 60%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live What is your Zip (Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busines Local Newspaper Other newspaper TV Radio Direct Mail Word of mouth Other Maile Female sis 15-19	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 2 1 10 5 3 1 1 1 5 2 1 1 1 5 2 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 110% 50% 10% 50% 00% 00% 15% 55% 55% 60%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live What is your Zip (Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 5-10 miles Other Code? 27589 27551 27850 27563 Dut about local busine: Local Newspaper Other newspaper TV Radio Direct Mail Word of mouth Other Male Female Lis 15-19 20-25	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 2 1 10 5 3 1 1 1 5 2 1 1 1 5 2 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 15% 10% 5% 10% 0% 80% 0% 10% 55% 60% 0%	internet	visit		
Restauran 3 Clothing 13 movies 1 Sporting goods exercise 1 Where do you live What is your Zip (Produce 1 Gifts/Jewery Hardware 1 Arts specialty In town Between 1-3 miles Between 3-5 miles Between 5-10 miles Other Code? 27589 27551 27850 27570 27563 Out about local busines Local Newspaper Other newspaper TV Radio Direct Mail Word of mouth Other Maile Female sis 15-19	Crafts 1 Dept/Gen Merch Coffee/Deli/bakery services 1 Drug 1	vntown? 2 1	1 3 4 4 2 1 10 8 3 1 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	5% 15% 20% 10% 50% 110% 50% 10% 50% 00% 00% 15% 55% 55% 60%	internet	visit		

